

Grain Inspection, Packers and Stockyards Administration

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**News Release** 

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## GIPSA Alleges Kenneth L. Smoker, LLC and Kenneth L. Smoker Violated the Packers and Stockyards Act

WASHINGTON, April 7, 2015 – The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) has found evidence that Kenneth L. Smoker, LLC (Smoker, LLC) and Kenneth L. Smoker, Parkesburg, Pa., purchased livestock and failed to pay the full purchase price for the livestock purchased.

Smoker, LLC, under the direction, management, and control of Kenneth L. Smoker:

- failed to properly use and maintain its custodial account;
- failed to deposit in the custodial account, within the time prescribed by the regulations, an amount equal to the proceeds receivable for sales of consigned livestock; and
- engaged in the business of a market agency selling livestock in commerce on a commission basis when their current liabilities exceeded their current assets.

GIPSA filed a complaint against Smoker, LLC and Kenneth L. Smoker on March 9, 2015. The complaint can be found on the GIPSA website: <a href="mailto:gipsa.usda.gov/psp/enforcement.aspx">gipsa.usda.gov/psp/enforcement.aspx</a>. If the allegations are admitted, or proven in an oral hearing, Smoker, LLC and Kenneth L. Smoker may be ordered to cease and desist from violating the Packers and Stockyards (P&S) Act, suspended, and/or assessed a civil penalty.

Smoker, LLC was engaged in business of a market agency selling livestock in commerce on a commission basis; and is registered with the Secretary of Agriculture; and engaged in the business of a livestock dealer buying and selling livestock in commerce for his own account.

Kenneth L. Smoker was 100% owner of Smoker, LLC and was responsible for the direction, management, and control of Smoker, LLC.

The P&S Act is a fair trade practice and payment protection law that promotes fair and competitive marketing environments for the livestock, meat, and poultry industries.